DEPARTMENT OF THE TREASURY Customs Service

Fees for Customs Services at User Fee Airports

AGENCY: Customs Service, Treasury.

ACTION: General notice.

SUMMARY: This document advises the public of an increase in the fees charged user fee airports by Customs for providing Customs services at these designated facilities. The fees are based on actual costs incurred by Customs in purchasing equipment and providing training and one Customs inspector on a full-time basis, and, thus, merely represent reimbursement to Customs for services rendered. The fees to be increased are the initial fee charged for a user fee airport's first year after it signs a Memorandum of Agreement with Customs to become a user fee airport, and the annual fee thereafter charged user fee airports.

EFFECTIVE DATE: The new fees will be effective October 1, 2000, and will be reflected in quarterly, user fee airport billings issued on or after that date.

FOR FURTHER INFORMATION CONTACT: April Hovey Conti, Office of Finance, (202) 927-2014.

SUPPLEMENTARY INFORMATION:

Background

Section 236 of the Trade and Tariff Act of 1984 (Pub.L. 98-573, 98 Stat. 2992) (codified at 19 U.S.C. 58b), as amended, authorizes the Secretary of the Treasury to make Customs services available and charge a fee for the use of such services at certain specified airports and at any other airport, seaport, or other facility designated by the Secretary pursuant to specified criteria. (The list of user fee airports is found at § 122.15 of the Customs Regulations (19 CFR 122.15).) The fee that is charged is an amount equal to the expenses incurred by the Secretary in providing the Customs services at the designated facility, which includes purchasing equipment and providing training and inspectional services, i.e., the salary and expenses of individuals employed by the Secretary to provide the Customs services, and, thus, merely represents reimbursement to Customs for services rendered. The fees being raised are the initial fee charged for a user fee airport's first year after it signs a Memorandum of Agreement with Customs to become a user fee airport (currently set at \$ 111,500), and the annual fee thereafter charged user fee airports (currently set at \$80,000). The notice establishing the current user fee rates was published in the Federal Register on July 8, 1999 (64 FR 36969).

The user fees charged a user fee airport are typically set forth in a Memorandum of Agreement between the user fee facility and Customs. While the amount of these fees are agreed to be at flat rates, they are adjustable, as costs and circumstances change.

Adjustment of User Fee Airport Fees

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As of May 31, 2000, Customs has determined that, in order for the user

fee charged to actually reimburse Customs for services provided, the initial fee

must be increased from \$ 111,500 to \$ 117,600, and the recurring annual fee

subsequently charged must be increased from \$80,000 to \$84,500. The new

fees will be effective October 1, 2000, and will be reflected in quarterly, user fee

airport billings issued on or after that date.

Dated: September 8, 2000

Assistant Commissioner Office of Finance Wayne Hamilton